

[21 August, 2000]

RAJYA SABHA

(c) the reaction of the investors in this regard; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN): (a) and (b) In the mineral sector, the Government policy allows 100% foreign direct investment on the automatic route for all minerals (except diamonds and precious stones). This covers exploration, mining, mineral processing and metallurgy. In the case of diamonds and precious stones, foreign equity upto 74% is allowed on the automatic route for both exploration and mining operations. Proposals seeking higher than 74% foreign equity are considered by the Government for approval. The Mines & Minerals (Development & Regulation) Act, 1957 has also been suitably amended and further powers have been delegated to the State Governments. These initiatives cover Bihar and Gujarat also.

(c) and (d) Government has so far approved 65 proposals for foreign direct investment in the mining sector. The likely investment in these cases will be about Rs. 3650 crore. After obtaining approval the investors are required to apply to the concerned State Governments, which are the owners of minerals in their respective territorial jurisdictions, for mineral concessions. The data relating to mineral concessions are not centrally maintained.

Difference in Export and Import

† 2968. DR. D. MASTHAN:

SHRI RAJIV RANJAN SINGH:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that due to difference in export and import, foreign countries, earn more foreign currency as compared to India;

(b) if so, the difference in the export import during first three months of financial year 2000-2001; and

(c) the increase in the demand of foreign dollars for the importers of the country during this period in comparison to the last three months of the last year?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) As per the DGCI&S provisional data India's exports for the period April-June, 2000-2001 has been to the tune of US \$ 10194.34 million as compared to the performance of US \$ 7986.28 million during the same period last year. This has led to an increased trade deficit of US \$ 2982.75 million

† Original notice of the question was received in Hindi.

during April-June, 2000-2001 as compared to the trade deficit of US \$ 2369.37 million during same period last year leading to an increased demand of foreign currency. This is mainly due to the increase in value of oil imports.

Utilisation of a part of foreign currency by exporters abroad

† 2969. SHRI KAPIL SIBAL:

SHRI RAJ MOHINDER SINGH:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Government have approved utilization of a part of foreign currency by exporters abroad out of the amount earned by them from exports;

(b) if so, the amount of this share; and

(c) the annual average amount utilized by Indian exporters abroad in the past few years?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) Exporters are allowed to retain a portion of their receipts in foreign exchange in Exchange Earners' Foreign Currency (EEFC) Account with authorized dealers, in India. Exporters can freely use the funds held in their EEFC accounts for all transactions of current account in nature. 100% Export Oriented Units and Units in Export Processing Zones/Software Technology Parks/Electronic Hardware Technology Parks are allowed to credit upto 35% of their export earning to EEFC accounts. Other exporters can credit 25% of their export earnings to EEFC accounts. Authorised Dealers are permitted to open and maintain such EEFC accounts.

(c) The Reserve Bank of India does not compile information regarding the amount utilized by Indian exporters abroad out of their EEFC balances.

WPI for primary commodities and manufactured products

2970. SHRI NILOTPAL BASU: Will the Minister of COMMERCE AND INDUSTRY be pleased to refer to answer to Unstarred Question 5185 given in the Rajya Sabha on 15th May, 2000 and state:

(a) the item-wise WPI for each week for primary commodities starting with 1st April, 2000 and ending with 15th July, 2000;

(b) the item-wise WPI for each week for manufactured products starting with 1st April, 2000 and ending with 15th July, 2000:

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